GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:1697
ANSWERED ON:28.11.2001
DEMURRAGE CHARGES
SUBODH ROY

Will the Minister of SHIPPING be pleased to state:

(a) whether the demurrage charges revised by Ministry of Railways in October, 1992 were not implemented by Mumbai Port Trust (MPT) till January 1998;

(b) if so, the reasons therefor and the quantum of loss suffered by MPT; and

(c) the response of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SHRIPAD Y. NAIK)

(a) & (b) : The revised demurrage charges were made applicable by Mumbai Port Trust w.e.f 5.1.98, due to late intimation of the decision by Central Railways. The Central Railways have claimed an amount of Rs.353 lakhs on account of non-implementation of revised demurrage charges from 15.10.1992 to 4.1.1998.

(c) The Mumbai Port Trust has contested the Central Railways` claim, as the revised charges cannot be recovered retrospectively.In order to avoid recurrence of such situations in future, the Ministry of Railways have directed all Zonal Railways to undertake review of the terms and conditions of agreements with Port Trusts to effect appropriate changes.